JPRS 77546 10 March 1981

South and East Asia Report

No. 977



FBIS FOREIGN BROADCAST INFORMATION SERVICE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports
Announcements issued semi-monthly by the National Technical
Information Service, and are listed in the Monthly Catalog of
U.S. Government Publications issued by the Superintendent of
Documents, U.S. Government Printing Office, Washington, D.C.
20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

SOUTH AND EAST ASIA REPORT

No. 977

CONTENTS

INTER-ASIAN AFFAIRS	
Japan's Role in Asahan Project (KOMPAS, 22 Dec 80)	1
HONG KONG	
Hong Kong Writer Surmises Type of Secretary of State Haig Will Be (Chu Sheng; CHIH-SHIH NIEN-TAI [THE SEVENTIES], 1 Feb 81)	3
INDIA	
Leftists, Communalists, Blamed for Aligarh University Closing (DAWN, 4 Feb 81)	7
Expert Calls Family Planning Program Inadequate (Saroj Natarajan; THE TIMES OF INDIA, 11 Feb 81)	10
Defense Adviser: Top-Class Indian Tank in Works (THE TIMES OF INDIA, 11 Feb 81)	12
INDONESIA	
Small Businessmen Aided by New Organization (Anna M. Massie; SELECTA, 24 Nov 80)	13
Probosoetedjo, Prominent Businessman, Philanthropist Profiled (Anna M. Massie; SELECTA, 24 Nov 80)	16
KAMPUCHEA	
Heng Samrin Writes on Internal Developments, Foreign Relations (Heng Samrin; TRICONTINENTAL, No 72, 1980)	21
LAOS	
Council of Ministers Order on Salaries Published (VIENTIANE MAI, 7 Jan 81)	27

(Bounmi Khenlitthi; SIANG PASASON, 30 Dec 80)	29
Luang Prabang Agricultural Investment, Construction Noted (S. Talalai; SIANG PASASON, 6 Jan 81)	31
Editorial Criticizes Tendency to Plant Less Dry Season Rice (Editorial; SIANG PASASON, 6 Jan 81)	33
NEW ZEALAND	
Nation's First Major Maritime Survey in Antarctic Underway (THE EVENING POST, 24 Jan 81)	34
PAKISTAN	
Situation of Muslims in India Viewed (Editorial; KHYBER MAIL, 8 Feb 81)	35
PHILIPPINES	
Agriculture Minister Discusses World Bank Report on Poverty (BULLETIN TODAY, 17 Feb 81)	37
Program Set Up to Finance Industry (BULLETIN TODAY, 17 Feb 81)	39
Improvements Planned For Mindanao Natives (BULLETIN TODAY, 17 Feb 81)	40
THAILAND	
Khukrit Interviewed on Foreign Relations (Khukrit Pramot Interview; SIAM RAT, 5 Jan 81)	41
RTA Hopes to Wipe Out Nan CPT Base, Cites Lao Links (MATICHON, 26 Jan 81)	48
LPDR Agents Working With Savannakhet Police Chief Arrested (DAO SIAM, 27 Dec 80)	50
<pre>împact of Southern Problems on Relations With Malyasia Discussed</pre>	52
Police Abandonment of Subdistrict Posts Supported (Sud Saipan; TAWAN SIAM, 25 Dec 80)	54
Visa Applicant Complains or US Consular Procedures (SIAM RAT, 17 Jan 81)	56
Gas Pipeline Construction Stops, Contractor Says Plans Faulty	50

JAPAN'S ROLE IN ASAHAN PROJECT

Jakarta KOMPAS in Indonesian 22 Dec 80 p 12

[Excerpts] A long narrative leading to the realization of the Asahan Project was told by Minister of Industries Ir Abdul Rauf Suhud before Bandung Technological Institute students Thursday morning.

During the lecture, which was organized by the civil department of the said institute, Suhud described the role of various multinational enterprises. He said that those Western corporations attempted several times to scuttle the Asahan Project in northern Sumatra.

Subud graduated from the higher institution in Bandung with the degree of civil engineer [Ir] in 1951.

He said there were five big Japanese enterprises and two multinational corporations wishing to undertake the Asahan Project assignment. But eventually they withdrew one by one for all kinds of pretext, saying that the project was not feasible or required huge funds.

"At first I thought these enterprises worked independently of one another, but later on I found out that at the back they collaborated with Western multinational corporations. Or they had multinational connections in their respective setup.

"Moreover, these enterprises have connecting channels with one another which, if traced, will lead to one direction. This is just like the well-known world petroleum industry bearing the name of The Seven Sisters," Suhud elaborated.

Suhud mentioned the names of several Japanese enterprises which have connections with Western multinational corporations, such as "Nippon Light Metal" which is affiliated with "Alcan," "Mitsubishi" with "Alcoa," "Electro Watt" with "Credite Swiss," "Mitsui" with "Pitszenie" and "Showa Denko" with "Kaizer." These multinational corporations originated in Canada, the United States, France and Switzerland.

Indonesia evinced deep interest in implementing the Asahan Project, but she does not possess the needed hundreds of millions or even billions of U.S. dollars. Japanese enterprises felt they did not have enough funds, and many multinationals thought the project unfeasible, because at the time (1973) the price of aluminum was at its lowest level.

Nevertheless, the Japanese government far-sightedly believed that construction of the aluminum plant constitutes a vital project for Indonesia's future. Consequently, it spared no effort in mobilizing private mammoth industries in Japan to come to the rescue. If these industries could not afford to undertake the assignment, the Japanese government would shoulder the financial burden.

According to calculation made in 1974, the project would require an estimated amount of \$800 million. Two years later, however, the calculation soured to about \$2 billion. Due to its determination to aid the Asahan Project, the Japanese government reportedly suspended its economic aid to other nations.

Originally, Japan had promised to render aid to various projects in Thailand, Singapore and Hong Kong. Due to its limited budget, most of which was earmarked for the Asahan Project, financial aid to projects in other countries have been temporarily suspended by the Japanese government.

9300

HONG KONG WRITER SURMISES TYPE OF SECRETARY OF STATE HAIG WILL BE

Hong Kong CHIH-SHIH NIEN-TAI [THE SEVENTIES] in Chinese 1 Feb 81 pp 55-56

[Article by Chu Sheng [2806 3932]: "What Type of Secretary of State Will Haig Be?"]

[Text] Hodding Carter, the recently resigned U.S. State Department spokesman, in an article in the February issue of PLAYBOY magazine complained that, in regard to foreign relations, President Carter would issue orders by day and change them by night, that he was wavering and indecisive, and that he would listen to the words of Secretary of State Vance one moment and then turn around and act according to the prescriptions of National Security Advisor Brzezinski. His actions led to diplomatic work being carried out in a state of confusion. For example, he would send someone to indicate to the Western Allies that he had no intention of boycotting the Moscow Olympics, and then quickly change his mind and announce a boycott; the Western Allies didn't know which way to turn and expressed great dissatisfaction with the U.S.

Because of this, Carter's successor, President Ronald Reagan, nominated the former Supreme Commander of the NATO Alliance, General Haig, to be Secretary of State. He hopes to avoid following the tortuous path of the former administration by guaranteeing that the Secretary of State will be the sole foreign relations spokesman in the diplomatic area. On the day that Reagan appointed Haig, Reagan's soon to be National Security Advisor, Richard Allen, told newsmen: "Take a good look at me, because I am now going to disappear."

In regard to foreign relations experience, although Allen served a period as assistant to Kissinger, his practical experience is limited. In the sixties Haig held the post of assistant to Secretary of Defense McNamara. He has been the Army vice chief of staff, and the Supreme Commander of NATO forces; he was also Kissinger's assistant for military affairs and Nixon's White House Chief of Staff; and during the most difficult period of Watergate he carried out the duties of the president, and from beginning to end participated in establishing America's policies toward the Soviet Union, China, and Vietnam. Among the members of Reagan's cabinet, only he and Vice President Bush have practical foreign relations experience.

Purthermore, this former Commander of NATO, who once considered running for the presidency, is not a choirboy when it comes to methods employed. During the

periods when Nixon would leave the country on state visits, he, the then White House Chief of Staff, in a struggle to remain close to Nixon would fight with Kissinger for the right to occupy the room closest to Nixon's. They became the butt of jokes, but the result was usually victory for Haig.

Haig's Strategic Thinking

The strategic thinking of Haig and that of Allen are much the same. It will not be at all like the extremely bad relationship that existed before between Vance and Brzezinski. Both Haig and Allen advocate strengthening America's defense, and improving the solidarity and confidence of the Allies; and Regan, who is also well known for maintaining such conservative notions will not be like Carter, lacking concentration and unable to handle more than one thing at a time. The estimate is that he will not repeat the performances of the last two administrations in which the Secretary of State and the National Security Advisor could not strike the same chord.

In recent years, Haig has clearly expressed his anti-Soviet viewpoints a number of times. In 1979 upon retiring as the Supreme Commander of the NATO forces he said: "The threat of Soviet expansionism is very real. During the past 100 years, the average annual amount of land seized by the Soviet Union is equivalent to the size of the Netherlands." In a statement at the Republican Convention in July of last year, he indicated that in the past 15 years Soviet military expenditures have increased at an annual rate of between four and five percent, and that the Soviet fleet can reach the seven seas, it's threat having already extended from the two continents of Europe and Asia to the entire world. It is obvious that he feels the major task facing the United States is dealing with the global hegemony of the Soviet Union.

He abnegated the two-pillared policy that has been adopted by the U.S. and it's Western European Allies for a number of years now: on the one hand, talking detente and working hard to improve East-West relations; and on the other hand, maintaining the necessary security policies. He raised examples such as the Soviet's use of Cuba to intervene in Angola, Ethiopia, and South Yemen, their use of Vietnam to overthrow the Cambodian government, and the unprecedented direct intervention by Soviet forces into Afghanistan in order to make clear that this two-pillared policy has been a mistake, and the need for replacing it with a new two-pillared policy--reciprocity and strength.

In the 1980 winter issue of THE WASHINGTON QUARTERLY Haig strongly indicated that the Soviets are intensifying their efforts at global interventionalism; while NATO is gradually losing it's ability to deter such actions. This is a development which will have the most profound impact on the world in the next decade.

Haig has also attacked the Carter administration for not fulfilling U.S. responsibilities towards NATO. He said that Carter originally promised to increase U.S. military expenditures by three percent, but in the end did not. On the contrary, they actually diminished by one percent. Haig, who is intimately acquainted with the NATO situation, has also indicated that the NATO member nations who have been protected by the U.S. nuclear umbrella for several decades will soon discover that,

in terms of military strength, in many areas NATO is inferior to the Warsaw Pact Nations. He also believes that Washington must inspire, persuade, or cajole the other NATO nations to take action to deal with Soviet expansionism.

Nixon and Kissinger in the Background

Reagan's nomination of Haig was due, in addition to Reagan's appreciation of his foreign affairs experience, to the considerable efforts of his old bosses former President Nixon and Secretary of State Kissinger; former President Nixon, who was forced to step down because of the Watergate incident, in particular is evidently unhappy outside of the limelight and hopes to put his foreign affairs expertise to good use.

During the election campaign, Nixon twice telephoned Reagan to offer advice in the area of foreign affairs and to recommend Haig for Secretary of State. Upon being elected, and while writing his inauguration speech behind the closed doors of his California residence, Reagan kept two books on his desk, one of which was Nixon's recent work, "The Real War." In a Christmas Eve 1980 interview with TIME magazine Reagan said that he did not exclude the possibility of periodic discussions of foreign policy with Nixon. He said, "We consider this to pose no problem, if you look back at the record of Nixon's knowledge of world affairs and world leaders." Nixon still holds frequent consultations with Haig and former Secretary of State Kissinger; and even offers advice to the new chairman of the Senate Foreign Relations Committee, Senator Percy.

As for Kissinger, in addition to recommending Haig to be the principal manager of foreign affairs, he also undertook a "private" mission to several Middle East nations during the last part of 1980 and the beginning of 1981. He met with the leaders of countries such as Israel, Egypt, and Saudi Arabia. He met with Reagan before the trip and reported to him afterwards.

In addition to all this, Reagan's appointee as National Security Advisor, Mr Allen, was on the National Security Council during Nixon's presidency. He resigned only because his opinions were not compatible with those of Kissinger. His strategic thinking is quite similar to that of Nixon, Reagan, and Haig. Because of this, some people in political circles feel that Reagan's appointment of Haig portends a restoration of the Nixon foreign relations strategem.

Haig and U.S.-China Relations

Looking at U.S.-China relations from this angle, those officials from Taipei who celebrated Reagan's inauguration with great fireworks had better not get overly optimistic. Even if Reagan personally feels close to Taiwan, he is ultimately a realist who understands the need to consider time and circumstance. His Vice President, Mr Bush, was once the Head of the U.S. Liaison Office in China. His Secretary of State, Mr Haig, led the advance team that went to China in January of 1972 to make preparations for Nixon's historic visit. Their viewpoints on China are not significantly different from Nixon's.

Nixon expressed his viewpoint toward China in his book, "The Real War": "A strong China is in the interests of the United States, because a weak China invites aggression and increases the danger of war. America and the European Allies should do what is necessary to see that China acquires the military strength necessary to provide for her defense." Haig also recognizes that the Sino-Soviet confrontation not only ties up a large number of Soviet troops; but also diverts Soviet diplomatic and political strength, making it difficult to bring full force to bear on Western Europe.

It is no wonder that Reagan, in separate interviews given to TIME and NEWSWEEK magazines, had already ceased to sing the same old song about restoring official relations with Taiwan. And when asked about sales of offensive weapons to China, he refused to rule it out absolutely, stating instead that the question would be given serious study because a belief of that country's government is the destruction of governments such as America's. "I don't wish to move too quickly, with the result that one day we possibly find that the weapons we supplied are turned against us." When asked if the U.S. and China would establish a military alliance, he said, "I don't know." But he expressed an earnest hope of furthering friendly relations with Beijing.

For the moment there is no indication that Reagan will adopt any unexpected measures in regard to U.S.-China relations because of international strategic considerations after the fashion of former President Nixon. But world events are hard to predict. Who dares to guarantee that he will not do so in the future? Even the important Republican Taiwan lobbyist Chen Xiangmei [Madame Chennault] who is close to many KMT [Nationalist Party] leaders has visited Beijing. Circumstances are more important than personal relationships after all!

LEFTISTS, COMMUNALISTS, BLAMED FOR ALIGARH UNIVERSITY CLOSING

Karachi DAWN in English 4 Feb 81 p 12

[Text] New Delhi: Feb 3: The Leftist and certain communalists are active to forestall restoration of the Muslim character of the Aligarh University by creating chaotic conditions there which have led to its indefinite closure.

The trouble was brewing for several weeks. Precisely, since the present Government seriously considered implementation of its last election promise to restore the minority character of the university. The ruling Congress(I) Party has put up three draft bills before Parliament, each withdrawing the previous one in the last nine months.

The first one confined itself to mere one clause, designed to define the university. This bill was rejected by the Muslims who even staged demonstration against it.

It was replaced with a new draft improving upon the previous one and was introduced on the eve of last Eid-ul-Fitr.

The third draft, by and large, to the satisfaction of the Muslim community, is now before the Indian Parliament and is expected to be discussed at its next session opening later this month.

This upset those who are opposed to the restoration of the Muslim character of the University. So they intensified their activities.

Dr Habib's Attack

The Dean of the Faculty of Social Sciences of the Aligarh University, Dr Irfan Habib, a confirmed Leftist and known for his affiliation with the Communist Party of India (Marxist Group) criticised certain aspects of the university in a Press interview in the last fortnight of January.

He said: "The malady of collapsing administration and misrule of criminals forcing reexaminations, whenever they feel like doing so, has attained such cankerous proportions that prospective employers have begun to seriously question whether graduates of A M U (Aligarh Muslim University) are at all employable. Even Muslim firms advertising for jobs have blacklisted the A M U and even they say that A M U graduates need not apply."

This triggered off a reaction by the Students Union which alleged that Dr Irfan Habib, head of the History Department and known for giving Marxist interpretation to the Mughal period of Indian history, had deliberately attempted to defame the University and bring home the idea that institution did not deserve to be restored to the Muslima.

Islamic rennaissance in various parts of the world and finding manifestation in the outlook of the Muslim students of the historic institution aggravated the anxiety of those opposed to the restoration of the minority character of the Aligarh University.

The entire Communist lobby intensified their activities. Dr Habib has organised the Class Four employees of the University and is himself Chairman of their forum. He never fails to hold their rallies frequently under the pretext of voicing their demands for upward revision of their salaries and improving their working conditions to pressurise the University administration.

On the campus, he has the support of Prof Izhar Hussain of the Mathematics Department and Prof Mohammad Anas of the Geography Department. Outside the university, he has the support of Mr Satish Chander, Chairman of the University Grants Commission, Prof Rais, previously Head of the Physics Department of the Aligarh University and now Vice-Chancellor of Srinagar University and Prof Nurul hasan, once Dean of Social Studies, later Indian Education Minister and now chairman of Educational and Research Council of India, in his efforts to secularise" the university. [as published]

The new Vice Chancellor of the university, Prof Syed Hamid, has been picked up from the administrative service. Although he is reported to be practising Muslim himself, yet he has selected a member of the Communist Party of India as his lieutenant and pro-Vice Chancellor.

The Students Union demanded that either Dr Irfan Habib should withdraw his statement or disciplinary action should be taken against him for going to the Press with such a defamatory statement. The students staged a "dharna" at the residence of the Vice-Chancellor to press their demand.

At the time of special convocation held on Jan 24 to confer a honorary doctorate degree on the Pakistan Nobel laureate, Professor Abdus Salam, the University authorities preferred to play the national anthem of India instead of the University's own anthem which is normally played on such occasion. This infuriated the students who called for an indefinite strike.

The University Executive Council, meeting two days later, decided to appoint one-member commission manned by a retired Judge, Justice Khalilullah, to hold an inquiry and give its verdict whether the Press interview of Dr Irfan Habib did violate university norms and propriety. Vis a vis the student's demand that the Dean of Faculty of Social Sciences should not function pending inquiry, the Executive Council decided that he may not do so, leaving discretion with Dr Irfan Habib himself.

In the meantime, gherao of the residence of the Vice-Chancellor by the students continued. Late last Saturday night the DIG of Aligarh appeared at the students camp and gave them an ultimatum to clear off within fifteen minutes.

The police intervention, which the Vice-Chancellor claimed was without his permission, fuelled the situation. The University was closed indefinitely and students were asked to vacate the hostels within twelve hours.

The civil police, Central Reserve Police and the Provincial Armed Constabulary, reported to be thousands in number, cordoned off the campus.

The students claimed that a virtual curfew was imposed. They were served no breakfast, no meals, no bearer or attendant was allowed to go near them. -- APP

EXPERT CALLS FAMILY PLANNING PROGRAM INADEQUATE

Bombay THE TIMES OF INDIA in English 11 Feb 81 p 13

[Article by Saroj Natarajan]

[Text] The family planning (FP) programme in India is in the doldrums. India is moving without any direction, constructive thinking and action relevant to its needs, said Dr. C. Chandrasekaran, internationally famous demographer, who has been with the UN for over two decades and who was here last week.

"In India, there is no 'family planning' but only a 'family limitation' movement," he said. "While the target should be four million acceptors per year, it is actually hardly 1.5 million. The crux of the problem is that we rely primarily on sterilisation as a means of birth control. It is, undoubtedly, an important method in developing countries, but it is a terminal method and not entirely effective. Spacing methods, no less important, should be popularised, for only a healthy combination of the two can produce the desired result. The thrust, at present, is inadequate."

Lack of Co-ordination

India was the first of the developing countries to incorporate FP in its national development plan as early as 1951. Yet, he said, the other developing countries had surpassed India even with a late start. Indonesia achieved in five years what India could do only in 20 years.

For Dr. Chandrasekharan, who played a key role in the formulation of the FP programme in the first five-year plan, it was dismaying to see the lack of unified thinking and action in the FP programme. "We pay a heavy price for democracy," he declared.

Speaking as a population specialist of the World Bank in Indonesia, he said the Indonesian FP programme had some notable features—a strong government commitment starting at the highest level, an efficient administrative set—up, yearly programme planning starting at the grassroots level, involvement of well-trained and deeply committed personnel, a sound logistics system for making contraceptives and other supplies available, a built—in procedure for rapid processing and feedback of performance data and, most important, strong community support. Ironically, all this was lacking here, he said.

"We are obsessed with the size of the population and the rate of growth," he continued. "Consequently, we have failed to tackle the problem which we encountered in the FP programme, and also failed in the matter of distribution of population in different parts of the country, both rural and urban, and migration. This produces communal disharmony which has raised its ugly head in quite a few states today!

Highly Generalised

Dr. Chandrasekharan feels that policy recommendations are highly generalised. Here slogans serve no purpose. The need of the hour, he said, was to evolve programmes that could be implemented and co-ordinated with research. "There are several countries which have successfully succeeded in FP and it is for us not so much to borrow as to evolve our own method."

According to him, the spectre of world population explosion was not alarming. There was worldwide decline in human fertility, mainly due to the increase of FP practice. Many developed countries had reached fertility levels low enough to show a stable population growth.

The present census in India, he said, would emphasise fertility, mortality and migration and demographers could acquire more information than ever before because the questionnaire was better framed. "I expect the census will record a higher population then the 672 million projected by experts. Our previous experience ('71) shows that computerisation may delay the finalisation of tables but the information will be more accurate."

Dr. Chandrasekaran suggested the setting up of a population commission to recommend policies and programmes. He was keen to return to the country to play a key role in the commission but "this will necessitate a great deal of manoeuvring and politicking."

Dr. Chandrasekaran a Ph.D. in statistics from London, is the only Indian who has been with the UN for over two decades. He has held many important positions in UN organisations and has gained international experience and recognition. He has been an adviser to over 20 countries on population study and control. At present, he is on a six-month assignment with Egypt to revitalise its research and training programme.

He received the Watumall memorial award for his outstanding contribution to demography in 1964. His pioneering work through field study in the erstwhile Mysore state, known as the "Mysore population study" and jointly undertaken by the Central government and the U.N. during 1951-53, has been considered a landmark in the history of population surveys.

DEFENSE ADVISER: TOP-CLASS INDIAN TANK IN WORKS

Bombay THE TIMES OF INDIA in English 11 Feb 81 p 13

[Text]

MADRAS, February 9 (UNI): India was on the threshold of sources in the development of a 1,500-bp main bottle tant which would compare with contemporary would class tanks, said Dr. Raja Ramanna, advisor to the defence minister and accretory, defence research and development, here today

He said it was one of the presigious projects of the Defence Research and Development Organisation (DRDO). The protective of the air-cooled engine, which had been developed with entirely Indian expection, was now loving tectod for "harther was now loving tectod for "harther

He was delivering the fifth De. A. L. Mudains memorial becture at the Indian Institute of Technology

He described the development of the tank of "our blegen contribution to mechanical engineering in the couniry. When the task was fully developed "ye can call curatives a task country."

He mid another anothe development related to increasing the inhality of the amountains of the pure of the amountains of the pure of the amountains the first abilities around pieces and development as a forest water of the amountains of the amountains and the amountains of the amountains of the amountains of the amountains and the amountains of the amountains and the amountains are the amountains and the amountains and the amountains are the amoun

No sold in novementics a programme for the development of pilotics target alreads for training personne had team undertaken and present out that the high cost and the high rate of striction of medium military aircraft had necessitated use of such aircraft

He said the gas turbine remarch mentionment had developed a new type of causes belown as the GTX which had a great potential for most-

SMALL BUSINESSMEN AIDED BY NEW ORGANIZATION

Jakarta SELECTA in Indonesian 24 Nov 80, pp 60-61

[Article by Anna M. Massie: "Did the Gods Help the Small Businessmen?"]

[Text] An organization called the Indonesian Business Promoters Association, with the acronym IPPI, was formed at the Business Promoters Conference held recently. Probosoetedjo was elected general chairman and is assisted by four chairmen, Murdaya Widyamarta, Syarnubi Said, Yan Darmadi, Tjoe Ming Fat (for the full organizational structure see SELECTA, No 997, pp 96-97). It was decided at that conference that IPPI would accumulate funds to help the small businessman.

According to Probosoetedjo, as the IPPI general chairman as well as a private businessman, IPPI is prepared to help the small businessman backed by an awareness of a need to help the weak. It does this through a group of strong businessmen gathered together in IPPI, who accumulate capital (funds) which are then channeled to weak businessmen via KADIN (Chamber of Industry and Commerce). Although not all strong businessmen have yet said they were ready to participate in accumulating such capital, it is expected that they will participate eventually. These businessmen, Probosoetedjo said, accumulate funds so that people become aware of the need for public well-being in accord with Pancasila principles.

He explained further that IPPI does not subscribe to the terms indigenous, nonindigenous, or mixed indigenous/nonindigenous. "We believe all Indonesians are the same under the 1945 Constitution. So we don't look at ancestry. Clearly it is the strong who help the weak."

Probosoetedjo was also asked whether he was convinced that the aid project planned by IPPI would succeed. He answered that he was convined. If he was not convined, why should he attempt this project? He added that many small businessmen would be helped with this project. He also believes the IPPI project can help the government with its equalization programs in all fields. Probosoetedjo said if one big businessmen reaches out his hand, thousands of small businessmen can be helped, the more so if a number of big businessmen get together and accumulate funds.

Aid to Groups

Must small businessmen provide a guarantee to obtain assistance from IPPI? "Provide a guarantee with what?" Probosoetedjo asked. These small businessmen do not need to provide any guarantee whatsoever to obtain help. Their operations are their guarantee, and limits are applied to this aid depending on their operations. If an operation needs only 10,000 rupiah, this amount is to be granted.

Proboscetedjo explained further that aid will be offered to group efforts. The group can be an association, club, or any effort made by a group of small businessmen in a certain location, for instance, a unit making stoves, a unit making soybean cakes, a unit making shoes, and other operations. Usually they are affiliated in a cooperative. But cooperatives of weak businessmen or those with little capital make for weak groups with insufficient capital to support their operations without assistance.

Probosoctedjo added that through this aid project, small businessmen will be helped and government revenue from taxes will rise because the income of these small businessmen will also rise and society will also be benefited. Moreover the businesses of the big businessmen will move ahead because their products will be absorbed by the small businessmen. Also the products of small businessmen can be of use to big industries. In short, the IPPI general chairman said, they are linked together mutually and they will mutually aid one another.

Probosoctedjo said if a small business fails or gods bankrupt, the businessman must still live. To do this, he will take any means to find a way out. Sometimes he leans toward a negative path. He may turn to crime. Who will be responsible for the results. "So it is our duty to help the businessman with little capital. If he lacks raw materials, we will help him. If he needs a bank loan, we will also help him by guaranteeing his loan ourselves. If he has problems in obtaining raw materials, we will help him get them at a lower price because if raw materials cost too much, he will have trouble selling his wares and making a profit."

100 Million for Each KADINDA Decided Upon

The latest news received by SELECTA in connection with the IPPI endeavor is that the amount of aid to be granted each regional KADIN has been decided upon. The initial amount for each region is about 100 million rupiah or an overall total of 2.7 billion rupiah. Probosoetedjo said a businessman may borrow through KADIN a maximum of 150,000 rupiah. A KADIN source from Compartment VI--Development and Organization--also said that small businessmen will be given assistance if they need a bank loan (credit). Assistance may be obtained through an IPPI member private businessman who will provide a guarantee to the bank extending the loan. The first step being undertaken in Jakarta, according to this source, is a survey made of a unit on the outskirts of Jakarta making soybean cakes. Results of the survey show that these small businessmen not only have insufficient capital but also lack the raw material, soy beans. It is planned, therefore, that KADIN--Compartment VI will find the means to buy soy beans through BULOG [Logistics Bureau] and will then sell them to these businessmen. They could, of course, buy the soy beans on credit or be granted an amount of aid calculated by IPPI.

IPPI will also set up a project with the characteristics of a "public company," which means a company in which a majority of the shares are targeted for sale to the public. Probosoetedjo explained they will be sold to individuals with a low income, including retired civil servants, private functionaries with a low income, journalists, and perhaps even becak drivers may buy shares. These people can buy shares because the nominal value of the shares of the company being planned ranges from 5,000 to 10,000 rupiah, perhaps even less, 3,000 rupiah. Probosoetedjo said a public company is one of the ways the income of the people with a low income can be equalized.

To prevent the strong businessmen from buying up the shares, total purchases will be limited perhaps to 20 shares. "If big businessmen bought them up, this would be a disaster."

Are the Gods Helping?

Apparently IPPI's efforts are being greeted with joy. If this assistance to small businessmen goes smoothly, it could be a way to improve our seemingly unstable economic climate wherein there is a striking gap between the strong and the weak businessman, as though luck only passes over the head of the weak businessman and alights perches on the head of the strong businessman. Then doesn't IPPI appear to be a helping god? We await further developments.

6804

CSO: 8127/0401

PROBOSOETEDJO, PROMINENT BUSINESSMAN, PHILANTHROPIST PROFILED

Jakarta SELECTA in Indonesian 24 Nov 80 pp 26-27

[Article by Anna M. Massie: "Proboscetedjo Speaks About Honesty and Hard Work"]

[Text] Born in the village of Kemusuk in the Yogyakarta area. Taught in Pematang Siantar.

Left the teaching profession to try his hand in the business world.

Starting out as a supplier, he now is one of the big indigenous businessmen in Indonesia.

Prior to 1963, Probosoetedjo was just a teacher in the North Sumatra region. He now is the owner of a number of companies and the biggest estate in Java and Sumatra. His mother company, called PT Mercu Buana, was nominated by the government as a clove importing company. He also is the biggest shareholder in two banks (of which Bank Jakarta is one), the director of an automobilie assembly company (PT Garmak), and the biggest shareholder in the Kedawung glass factory. Moreover, after he acquired 30 percent of the shares of PT Kedawung, he established branches of that company in a number of places including Jakarta and Mageland (Kedawung Subur). The premier businessman also owns a chicken raising company, reportedly raising hundreds of thousands of chickens.

This businessman, who has family ties to President Suharto, has caused some disgruntlement. At the moment some groups feel he has been able to do business because of facilities granted him because he is the president's kin. Probosoetedjo responds to this attitude by saying firmly that it's not true. He achieved success, he says, through his own efforts and hard work. He didn't just sit around dangling his feet, waiting for facilities to be handed to him. He also said he has another guiding principle, besides hard work, and that is honesty. In the business field, also, he always tried to inspire confidence in other businessmen. He added, a businessman must not attach too much importance to himself and "last but not least," he must be sharp in selecting business sectors for his operations. Success does not depend solely on the effort one puts into one's operations. A businessman, according to the Probosoetedjo theory, must be wise in selecting those sectors which can be the most profitable.

Business Sense

Probosoctedjo said he has been successful in the business world because he has business sense. In choosing a business, he always selects one needed by the public. He cited the example of the Cipendawa chicken raising project in Megamendung. This business was operated by a nonindigenous businessman who was forced to sell a large portion of the company's shares to Probosoctedjo because he did not have the capital needed to maintain it. Probosoctedjo wanted to take the company over because he saw possibilities for its development. The same was true when he bought out the shares of PT Garmak which, in his hands, now assembles the diesel-fueled Chevrolet LUV. Why assemble an automobile that uses diesel fuel? For the reason that we are in the midst of a fuel crisis and diesel fuel makes for the best use of energy. Furthermore, diesel fuel is less expensive.

Although to an outsider it seems that he has made a success of anything he has tried, not all of Probosoetedjo's ventures have developed smoothly. A number of his companies had to be shut down when the struggle to keep them going could not be maintained he said. It's better to close down an unprofitable business, he said, than to continue to lose money, as with PT Embun Emas, a Universal Plastics plant, Kaundang Kauripan, and others.

Of course, we wanted to know, since he has had more successes than failures, whether he conducted a feasibility study for developing an industry or building a business. His answer was a little surprising. He said he had not made a so-called feasibility study for his successful enterprises as would have been done by other big companies. All were based solely on a survey. He admitted he studied Chinese businessmen a good deal for his operations. It was simple. If he saw that it would have a good market, this was an indication that the business would do well. If it did not do well, capital was rapidly transferred to another enterprise which, in his calculation, would do better. Proboscetedjo believes: why conduct a feasibility study (which, of course, is costly—editor) if it is uncertain that the planned business will be profitable? Although Proboscetedjo admitted that he had not used a feasibility study for such operations as the PT Kedavung, Cipendava farm, and other businesses, almost all of them had an expert staff. One can conclude from this that even though he often uses intuition, omens, or pragmatism in operating or establishing a business, he does not ignore modern management aspects in these rather big businesses.

Eight Billion Rupiah in Taxes

PT Mercu Buana Group, Probosoetedjo's mother organization, consists of 11 businesses, both those in which he is the sole shareholder and those in which he is the major shareholder. In addition there is the Kedawung Group which consists of five businesses. Reportedly six of the companies in these two groups are doing very well. The monthly turnover of each of these businesses is as much as 400 million rupiahs. For instance, PT Garmak, which assembles the Chevrolet LUV, can assemble 1,000 automobilies a month and has an ensured market for 600 priced at 3-1/2 million rupiah each. If you please, calculate for yourself the monthly and annual turnover for this business. Affandi, a staff member, explained that the company, or Probosoetedjo, pays about 8 billion rupiah in taxes annually. They include various taxes such as income, profit, sales, entry, and other taxes.

In regard to taxation, Probosoetedjo explained that he operates under the principle of "open management." As a citizen as well as a businessman, he said, he is aware that taxes provide the greater portion of the funds needed for development. If

every citizen, in this case every businessman, he said, was a good taxpayer, it would mean he had taken part in helping out his own development. "Nah, if businessmen don't pay taxes, who will? The biggest portion of national revenue is derived from taxes."

Probosoetedjo also believes that as the nation's business climate improves, its national revenue will rise particularly if a country derives most of its revenue from taxes. Probosoetedjo used Singapore and Hong Kong as examples.

These two minicountries, he said, depended on taxes for almost 100 percent of their national revenue. "If Indonesia's state administration already was in good order, its revenue from taxes would be very big." From another aspect, besides providing revenue for the state through taxes, Probosoetedjo believes businessmen play a very significant role, for instances, as employers, providers of income for the people, producers of foreign exchange, and so on.

Clove Monopoly

The story of this premier businessman would not be complete if we didn't touch on cloves. This commodity can be treated like green gold. Many areas of Indonesia other than Minahasa are already planted in cloves, many areas of which are productive. Despite this, it is apparent that Indonesia is not yet self-sufficient in cloves for its kretek cigarette industry. Cloves still must be imported from Zanzibar and Madagascar. In 1970 PT Mercu Buana, one of the companies owned by Probosoetedjo, was one of two companies nominated by the trade minister, then Prof Dr Soemitro Djoyohadikusumo, to hold the clove importing monoply.

When Mercu Buana was nominated as an importer, the import of cloves was still being conducted through Singapore and Hong Kong trade channels. The two industrial and commercial countries acted as middlemen. A rather sharp-eyed businessman, Probosoetedjo believed a trade mechanism of this sort could not be maintained continually. The two countries took too much profit from Indonesia. He said a 6 percent commission had to be paid on every transaction on top of other expenses. He regretted that this much foreign exchange had to fall into other countries' hands. Seeking this, he began to study direct channels for breaking through to the producer countries, Zanzibar and Madagascar. He apparently was successful in penetrating these channels.

There is a current belief that as a businessman and clove importer, Probosoetedjo played a part in the rise and fall of this crop. Replying to SELECTA's questioning, Probosoetedjo stated emphatically that this was not true. "I just saw that the clove price did not drop during the harvest season. Before the harvest, the price was 7,000 rupiah and during the harvest it rose to 9,000 rupiah and moreover, there was some chance that it would rise further."

He agreed that the free market price for cloves has been high for the past 2 years. During this period, he said, there were no overseas stocks of cloves nor were there any domestic stocks, and because there were no stocks available, the clove price was high. "This was not due to the actions of individual speculators." When the cloves came in, the free market price dropped automatically. This also came about because the government instituted price control, setting the price at 8,000 rupiah a kilogram. To date the price has never dropped below 8,000 rupiah."

Probosoetedjo also believes that if the clove price goes above 10,000 rupiah, it is no longer a valid price. If that were the real price, cigarette factories would not be able to pay it. The top price cigarette factories can pay is 10,000 rupiah per kilogram. "Therefore, the government is trying to keep the clove price from rising too high."

Can clove importers influence the market price for cloves? Probosoetedjo answered that they cannot because the government, in this case the trade minister, establishes the clove price. Also the importation of cloves from abroad is regulated by the government. Importers only carry out the actual importation. Importers, he said, receive a profit of only 2 percent from C & F. If the domestic harvest is good, the import volume drops. The import volume rises only if the harvest is poor. For the period January to June, 6,000 tons of cloves were imported, Probosoetedjo said.

As a clove importer, moreover one of only two importers (the other is PT Mega), would Probosoetedjo prefer to limit stocks particularly to influence the market price, to put it crassly?

"Oh, not at all. I already have said the clove price is set by the government, not by the importer." Probosoetedjo also denied that he had any ties to PT Mega. "Someone else owns PT Mega. I have absolutely no connection with PT Mega."

He told SLECTA that he played no part whatsoever in the purchase of domestic cloves. Nevertheless, he said, other traders and moreover regional governments had asked him to assit in the handling of domestic cloves but he had refused. "Aren't government regulations already in effect that domestic cloves cannot be sold directly to factories but must be sold to KUD (village unit cooperatives)? KUDs, in turn, sell them to the central KUD. It's only the central KUD that puts them into the hands of traders or factories."

Clove Crops Are Incidental

As an entrepreneur who became a clove importer, was Probosoetedjo interested in limiting clove production? He said laughingly that he had clove estates but they were insignificant. He has 100 hectares of land in Megamendung, of which 35 are used for chicken raising; the remainder are planted in cloves. He had another 300 hectare plantation which had been abandoned by INKOPAD [Army Cooperatives Center] and had turned into underbrush. This is now used as a clove estate.

There was concern at one time that there would be a clove surplus with expanded acreage planted in cloves, and the clove price therefore would definitely drop. Probosoetedjo said this would not happen because clove requirements are certain to increase in the future. "Based on my experience, the clove price will not decline in the next 10 years."

What if Indonesians tend to plant cloves because they see that a big profit can be made from this commodity? How would this affect the planting of other food crops?

"I don't think this would affect food crops. Moreover, there is still much land available in Indonesia. Further, not everyone can plant cloves and not all land can be planted in cloves. Also it is rather difficult to care for cloves. I also see that cloves are planted as a secondary crop in other areas. This is unlike the situation in Minahasa where cloves are one of the basic crops along with copra."

Helps Weak Entrepreneurs

As a successful businessman and in line with the motto by which he lives which says, "Don't forget your own experience and don't become conceited," Probosoetedjo conducts various operations to help economically weak entrepreneurs. Through the Bank Jakarta, in which he is a shareholder, Probosoetedjo has offered credit to sidewalk businessmen in Surabaya and Medan. The credit is channeled through HIPPI (Indonesian Indigenous Businessmens Association).

Recently at the Business Promoters Conference he became general chairman of what is called IPPI (Indonesian Business Promotors Association). He said IPPI was formed to accumulate funds to be used to aid small businessmen, particularly those who operate on the sidewalks, becak drivers, taxi drivers, and so on (see the article, "Small Businessmen).

Finally, Probosoetedjo was asked by SELECTA what social welfare contributions he has made to aid that part of society that needs help. He said laughing, "Oh, that isn't important. If I gossip about this, others will take it that I want to build myself up. That's not good."

Although Probosoetedjo did not want to talk about the social welfare projects he has aided, moreover, established, this writer visited Kemusuk and can record here that when Probosoetedjo was a child, there were no schools in that village or its environs. Now there is an elementary school, a junior high school, a senior high school, and agriculture school and a technical middle school. He has contributed all of these to his village. When officiating at the opening of the technical middle school in Kemusuk, Probosoetedjo said it had been established in homage to his parents. He said the school he built was a memorial which directly benefited the village's inhabitants.

6804

CSO: 8127/0401

HENC SAMRIN WRITES ON INTERNAL DEVELOPMENTS, FOREIGN RELATIONS

Havana TRICONTINENTAL in Spanish No 72 1980 pp 40-51

[Article by Heng Samrin: "After the Hell of the Khmer Rouge"]

[Text] During the course of the 5 years of struggle against the aggression from the United States and the gang of traitors, Lon Nol-Sarik, Matak-Son and Ngoc Than, the Kampuchean people, cadres and combatants made immense sacrifices of human lives for the cause of the people and the nation. Counting primarily on their own forces, while at the same time benefiting from the militant solidarity of the fraternal peoples of Vietnam and Laos, as well as from the assistance of the socialist countries and the people who love peace and justice all over the world, the Kampuchean people won the glorious victory of 17 April 1975 whereby the country was completely liberated from the thousand-year old feudal system and from Yankee neocolonialism, thus starting a new era, the era of independence, liberty and socialism.

After the total liberation of the country the Kampuchean people should have obtained the right to live in peace, and in an authentic, prosperous and joyful democracy, in accordance with their aspirations. But a reactionary, fascist regime, with a ferocity unprecedented in history, usurped the people's power: the reactionary clique of Pol Pot-leng Sary, tools of Peking's hegemonism as a great nation, who seized power and betrayed the nation, imposing untold suffering and massacring millions of their own people.

Under the emblem of the "socialist revolution" and with the pretext of "radically abolishing the classes and the vestiges of the old society," just a few days after liberation the Pol Pot-Ieng Sary gang of criminals emptied the cities, suppressed the markets and the currency, and forced millions of citizens to leave their homes and possessions to go to work in the rural areas, in the forests and mountainous regions, under incredibly wretched conditions. During the last 3 years of that genocidal regime, the Kampuchean people lived under the terrible yoke of oppression. The most basic liberties were abolished: they were prohibited from moving from one place to another, and from having relations, beliefs, ideas, etc....No sentimental relations were allowed between spouses, parents and children, or brothers and sisters. Moreover, they divided the people into different categories, with a view toward subordinating them and spreading hatred among them.

The most painful thing, which evoked the most hatred, was that, with the pretext of eliminating "the CIA, the KGB and the spies in the pay of Vietnam," they jailed

their fellow countrymen and subjected them to torture. In many locations, entire populations were massacred. The survivors were witnesses to the most cruel and atrocious assassinations every seen, even during the Middle Ages and at the time of Hitler's fascists.

They slandered, arrested and killed at will. Their orders for arrest or for death sentences against any person had to be carried out unhesitatingly. During the last 3 years of the regime alone, they killed over 3 million cadres, combatants and patriots, using the most cruel and savage methods and means.

With the pretext of "abolishing classes and private property," they seized all the means of production and the people's personal possessions, dooming the people to lead a wretched existence, clashed in rags and working like slaves under conditions that have never been seen nor neard of in history. The entire product of their labor, obtained at the cost of their sweat and blood, was confiscated from them, thus submerging them in hunger and the most complete degradation. The national economy had no meaning for them: the currency and the markets were suppressed, the bases of production completely devastated and the national assets deteriorated.

In the cultural realm, they applied a completely obscurantist policy, so as to be able to exploit the people shamefully. They destroyed nearly all the existing schools, or converted them into jails, such as the Toul Sleng high school; or else turned them into munition dumps. No education whatsoever was offered to the people. What was even worse, they systematically and savagely massacred all those who had any culture: scientists, technicians, men of letters, artists, students, teachers and intellectuals in general.

The sacred soil of Angkor was turned into a desolate spot, inundated with blood and covered with corpses. The glorious civilization of Angkor, dating back many thousands of years, was trampled upon, and the vast majority of the ancient temples, and the public parks and gardens built by the skillfull hands of the Kampuchean people were destroyed. The customs and habits, and the lovely traditions of the nation and the people were abolished.

Under this bloody regime, the people's health was in a deplorable state. Thin, anemic, defilitated, and with their skin clinging to their bones, the people were exposed to all types of diseases. Owing to the lack of medicines, medical treatment and food, people died by the hundreds each day.

Furthermore, encouraged by its masters in Peking, and with the pretext of "defending national independence," the Pol Pot-Ieng Sary regime resorted (both inside and outside of the country) to crude propaganda for the purpose of reviving the hatred between the peoples of Kampuchea and Vietnam, exhuming old history dating back centuries. The regime was a tool of the expansionism and hegemonism of the Peking reactionaries, which was aimed at sabotaging national independence and peace both in Southeast Asia and in the rest of the world. Once this latter objective was attained, they sought to annex all of Southeast Asia, and establish their worldwide hegemony.

KNUFNS Comes Into Existence

Confronted with this savagery, millions of fellow countrymen rose up bravely to liberate their country and their people and, on 2 December 1978, created the Kampuchean

National United Front for National Salvation (KNUFNS). This is an historic date, marking a new phase in the Kampuchean people's struggle to construct a truly peaceful, independent, democratic, neutral and nonalined Kampuchea, on the path toward socialism, that will contribute to the consolidation of peace and stability, both in Southeast Asia and the world.

Under the glorious banner of the Kampuchean National United Front for National Salvation, the revolutionary people's armed forces of Kampuchea launched powerful attacks against the troops of the Pol Pot-Ieng Sary traitors' clique and, coordinating action with the general insurrection of the populace, dealt fatal blows to the enemies. On 7 January 1979, the capital, Phnom Penh, and the entire country were liberated from the yoke of the criminal executioners, Pol Pot-Ieng Sary.

Reconstruction Is Progressing at a Firm Pace

A little over a year has elapsed, too brief a period for a revolutionary endeavor, especially one to rebuild a completedly devastated nation and a society in a maximum state of upheaval as a result of genocidal acts unprecedented in the history of mankind, as well as to eradicate the hunger (a legacy left by the criminal regime) affecting millions of individuals, that is also an imperative task incumbent on our people.

Last year, at the cost of enormous efforts to surmount the worst problems, and under the leadership of the KNUFNS and the Kampuchean People's Revolutionary Council (KPRC), the Kampucheans began rebuilding their fatherland slowly. All over the country, life is gradually becoming normal. Smiles are reappearing. The following are some of the accomplishments that have been made:

In the Military Area

A mop-up operation was made of the last strongholds of the Pol Pot-leng Sary army in the wistern, northwestern, southeastern and northeastern sections of the country; 45,000 enemy troops were put out of combat; several thousand more surrendered, or were captured. Tens of thousands of civilians were liberated, and thus were able to return to their native villages. In addition, many weapons were seized from the enemy.

Several regular regiments were formed, as were several units of regional forces on the provincial and district level, and guerrilla units and self-defense forces, to build and consolidate the revolutionary people's army forces.

In the Political Area

Following liberation, the entire people united as one man around KNUFNS and KPRC, for the reconstruction of the country and the defense of the fatherland.

The Kampuchean Revolutionary People's Court was set up in Phnom Penh, in mid-August 1979, to hold trials for the genocidal crimes of Pol Pot-leng Sary, with the participation of hundreds of jurists, attorneys and journalists from various countries.

KNUFNS held its Second Congress on 29 September 1979, and increased the number of members of the Central Committee from 12 to 35. The new KNUFNS Central Committee

represents all social classes and strata without regard for political persuasion or religion. The KNUFNS Second Congress adopted a five-point program of action, as follows:

- 1 To mobilize the people to heighten the spirit of national solidarity and patriotism, and the spirit of national independence, and of persevering struggle against the divisive maneuvers of the Pol Pot-Ieng Sary clique and other reactionaries and lackeys of Peking. To extend the Front to all the echelons representing the great national solidarity during the current period.
- 2. To concentrate efforts on restoring agricultural production and family work, to develop handicrafts, to repair the industries, to restore communications routes, to organize distribution, to mobilize all the forces and means of transportation, to eliminate hunger as well as to participate in cultural and social restoration.
- 3. To participate actively in the consolidation of the people's power. To carry out a satisfactory organization of the general election of a National Assembly, and to prepare to devise a Constitution within a feasible period of time.
- 4. To participate actively in the formation of the revolutionary armed forces, and to afford proper protection for political security and the social order.
- 5. To consolidate and develop fraternal relations and militant solidarity between Kampuchea, Vietnam and Laos. To ardently back the struggle of the peoples of Vietnam and Laos against all the aggressive and sabotaging maneuvers of the Peking reactionaries, in collusion with the North American imperialists and other reactionary countries. To develop fraternal solidarity with the Soviet Union and the other fellow socialist countries, as well as with the independent and nonalined countries, the national liberation movements and the progressive political organizations all over the world.

The following were formed: the Union for National Salvation, the Youth Union for National Salvation, the Journalists Association, the Women's Union for National Salvation, the Committee for Solidarity with the Afro-Asian Countries, the World Peace Committee and the associations for friendship with the fellow socialist countries.

The capital, Phnom Penh, the port city of Kompong Som and the 18 provinces in the country have their Revolutionary People's Committees, as do the 122 districts, the 1,325 cantons and the 9,306 villages. The people's power has been established throughout the entire country.

insofar as international relations are concerned, in less than 1 year after the victory, the People's Republic of Kampuchea was recognized by 29 nations, and two national liberation movements.

In the Economic Area

The system of forced labor, collective living and disintegration of the family cell imposed by Pol Pot-leng Sary was abolished. Everyone has again found family happiness and joy. But, unfortunately, countless families have lost many of their members, who were massacred by the executioners.

In the field of agriculture, the revolutionary government is distributing animals and seed to the farmers for production, and it is proposed to supply them with farming tools insofar as possible. In all sections of the rural areas solidarity groups for the development of agricultural production have been formed. The cultivation of rubber, as well as other products, has been restored and developed for industry, while a million hectares have been covered with other edible plants.

Moreover, in excess of 4,000 hectares of salt marshes have been improved in the province of Kampot.

With the assistance of Vietnam, and at the expense of enormous effort, the highway communications and transportation network, as well as the river and railroad systems, have been restored. The seaport of Kompong Som and the river port of Phnom Penh have started operating again. The main routes are now being used for the shipment of foodstuffs to the population all over the country.

The Pochentong international airport was also repaired, and regular flights between Phnom Penh, Hanoi and Vientiane have been under way for several months.

Industry, which was almost totally destroyed under the Pol Pot regime, has been developing gradually. Over 40 factories resumed operations in Phnom Penh and in the vicinity of the capital.

Markets have been opened to supply the populace.

In the Cultural and Social Area

Despite the great difficulties caused by the lack of furniture and other school equipment, approximately 900,000 pupils are currently attending the elementary schools, which have 13,000 classrooms. The junior and senior high schools have opened their doors again, and the schools of medicine and pharmacy have opened for the first time in 4 years, with over 500 students. The literacy drive has spread throughout the country, and about 9,000 adults are taking night courses.

Several orphanages are operating in Phnom Penh and all the provinces, to take in, feed and educate the children whose parents were massacred by the executioners Pol Pot-leng Sary. The traditional national culture and art have retrieved their value and are progressing rapidly. The museums have been opened to the public again, and the traditional classic and folk dances have also retrieved their value.

In the field of health, there are now only 50 doctors remaining of the 500 that Kampuchea had before 1975. As a result of the forced labor and lack of food to which they were subjected, the 4 million people who survived the genocidal regime are in a deplorable state of malnutrition, and the majority of them are suffering from infectious and parasitical diseases. Three hospitals with a large capacity are currently operating in the capital, and improvement work is being done so as to open other hospitals that were plundered. In the communes and villages there are 18 provincial hospitals in operation, as well as 100 district hospitals and 476 medical health and nursing stations.

Peace, Priendship and Mutual Respect in Foreign Policy

Kampuchea is implementing a foreign policy of peace and friendship, particularly with the neighboring countries and those of Southeast Asia, based on the principles of respect for sovereignty, national independence, equality and noninterference in the internal affairs of other countries. It is struggling actively for the legal integration of the People's Republic of Kampuchea into the UN, the Movement of Non-alined Nations and other international organizations; and against the lackeys and traitors Pol Pot-leng Sary, Sihanouk and Khieu Samphan, who have sabotaged the Kampuchean revolution. It is also attempting to intensify its fraternal solidarity with the peoples of Vietnam, Laos, the Soviet Union and other fellow socialist countries, as well as with the progressive countries within the Movement of Nonalined Nations. It is struggling alongside the peoples of Asia, Africa and Latin America against colonialism, neocolonialism, imperialism and the big nation hegemonism of the Peking reactionaries, and on behalf of peace, national liberation, democracy and socialism.

The Kampuchean people heartily salute the policy of peace of the Soviet government which, with an internationalist spirit, has firmly backed the just struggle of peoples to win and preserve their national independence (as in the case of the Afghan people) against the imperialists and reactionaries.

We should point out that the joint communique published at the conclusion of the Conference of Foreign Ministers of Kampuchea, Vietnam and Laos, held in Phnom Penh, expressed high esteem for this event, and considered it particular evidence of the close solidarity, and spirit of peace, friendship and cooperation among the three fraternal peoples against the hostile maneuvers and activities of the imperialists and reactionaries. The presence of the People's Army of Vietnam in Kampuchea is necessary, and it is in conformance with the treaty of peace, friendship and cooperation between the People's Republic of Kampuchea and the Socialist Republic of Vietnam.

The People's Revolutionary Council sincerely thanks the socialist countries, the peace-loving countries of Asia, Africa and Latin America, and the national and international organizations for their assistance in the political struggle and the restoration of the new Kampuchea.

The People's Revolutionary Council favorably receives all the efforts and all the acts of good will of the countries and international organizations on behalf of the Kampuchean people. However, it categorically rejects all discussions and resolutions of any other conference that run counter to the sovereignty of Kampuchea and to the interests of the Kampuchean people, deeming them nullified and improper.

In union there is strength. Union makes victory. In the beautiful country of Angkor, the Kampuchean people, asserting their unity and their desire for progress, will successfully build a powerful, prosperous People's Republic of Kampuchea, to contribute to peace and stability in Southeast Asia and to recover their rightful place in the international community.

2909

COUNCIL OF MINISTERS ORDER ON SALARIES PUBLISHED

Vientiane VIENTIANE MAI in Lao 7 Jan 81 pp 1, 2

[Order of the Council of Ministers; issued 15 December 1980]

[Text] To: All ministries, equivalent-level committees and the Central Youth Committee, the Central Women's Committee and the Central Trade Union.

Subject: Listing the units to establish an apparatus and stipulating equivalent salary levels for the mass organizations.

Concerning the duties and roles of the mass organizations mentioned above, at present, only temporary positions are being stipulated in order to prepare for the general elections. At present, the salary system has not been determined and the support units for the organizations mentioned above have not been stipulated. In order to have everyone understand what the salary levels are and in order to list the names of the support units and, at the same time, so that things are done in a suitable way for each level and person and for the units, the Council of Ministers has issued the following order:

- A. Establishing and Naming the Units
- 1. The Youth Mobilization Committee, the Women's Association and the Central Committee of the Trade Union Federation have established their own units in accord with the needs. These are called "sections" and they are directly subordinate to the [respective committees. They are equivalent to departments in the state apparatus. That is, they are not to be established in the same manner as those state organs called "departments."
- Units lower than the sections are to be divided into subsections; these are responsible for the tasks of the section.

Setting Equivalent Salaries

- 1. The committee chairmen who are not members of the Central Committee are to receive a monthly salary equivalent to that of the provincial party committee secretary or to the chairman of the provincial administrative committee (339.00 kip).
- 2. The deputy chairmen of the committees are to receive a salary equivalent to that of the deputy provincial party committee secretary or to the deputy chairman of the provincial administrative committee (282.50 kip).

- 3. The committee members are to receive a monthly salary equivalent to that of the provincial party committee members or to the members of the provincial administrative committee (267.30 kip).
- 4. The committee members are to receive a salary equivalent to that of the provincial party committee members or to the secretary of the district party committee (267.30 kip).
- 5. Deputy section heads are to receive a salary equivalent to that of the secretary of the district party committee or to the deputy chairman of the district administrative committee (256.50 kip).

Things That Should Be Given Attention

- 1. Whoever holds a position higher than the tasks for which he is responsible is to receive the salary appropriate for the position he holds. The salary is to be calculated based on the guidelines mentioned above.
- 2. The committee members should serve as [subordinate] as section heads.
- There should be one section head and one or two deputy section heads. There
 should not be any other section officers because these are support units. This form
 should be followed throughout.
- 4. In addition to what has been stipulated in point B, the abilities and level of specialization of the person must be given attention in order to set a suitable salary level.
- 5. On the receipt of this order, the committees responsible for these organizations, the ministries and the equivalent level committees must implement the order strictly after the order is signed.

Vientiane 15 December 1980 Council of Ministers Deputy Prime Minister Nouhak Phoumsavan

11943

SELABAM HYDRO-POWER PLANT OUTPUT, UPGRADING REPORTED

Vientiane SIANG PASASON in Lao 30 Dec 80 p 2

[Article by Bounmi Khenlitthi: "The Selebam Hydro-Power Plant"]

[Excerpt] The Selabam Hydro-Power Plant is one of the hydro-power plants in the country. It is located on the Sedon River 38 kilometers north of Pakse District.

The Selabam Hydro-Power Plant is a medium-sized hydro-power plant. It is composed of three turbines, each having a capacity of 650 kilowatt-hours. Before liberation, this hydro-power plant was under the control of the reactionary power holders. They used the output from this plant for themselves.

[This plant] has enabled electricity to be produced in accord with the plans of the party and state and to satisfy the needs of production and socialist construction in Champassak Province.

Along with the production of electricity, maintenance is also an important problem for the workers. Mr Bouaphan Kabkason, [a member of] the Selabam Hydro-Power Plan management committee, stated that, during the past 5 years, the workers in each section have worked in their special field. In particular, the machine section has repaired the turbines six times. In this, engineers from the central echelon have come and provided help three times. As for the other three times, the schools and workers used their abilities to repair the equipment themselves. For example, they repaired equipment and provided the machines.... Besides this, the machine section made fan blades and power units 2 and 3 increased the capacity of turbine No 2 from 400 to 600 kilowatt-hours. Because the machines have been in use for many years, the workers have made repairs and upgraded some of the machines. This has improved the quality of things in the plant. During the past 5 years, that is from the final 6 months of 1975 to the first 6 months of 1980, the power plant produced 24,044,111 kilowatt-hours and satisfied the needs of industry and of the machine shops, factories, production bases, offices, organizations and people.

These achievements of the workers stem from the guidance of the party. The administrative authorities have guided thinking and political life. Everyone admires the policies of the party. The workers have achieved results and turned themselves into new socialist workers. At the same time, trade union and youth and women's organizations have been established and improved. There have been eight type 1, 17 type 2 and nine type 3 outstanding workers.

Besides the specialized tasks, the workers have maintained security at the factories in order to oppose the actions of the enemy. They have posted guards continually. In order to improve the lives of their families, the factory workers have established converative stores for their families. They have established tailoring shops, they have raised animals such as hogs, ducks and chickens, they have built rice mills and they have increased the production of rice and starchy crops during these past 5 years. They have planted 87 fruit trees and worked more than 30 hectares of rice fields. This has normalized lives of the workers.

The achievements mentioned above are a good foundation for gradually expanding and improving the nation's economy.

11943

LUANG PRABANG AGRICULTURAL INVESTMENT, CONSTRUCTION NOTED

Vientiane SIANG PASASON in Lao 6 Jan 81 pp 2,3

[Article by S. Talalai: "The Expansion of Agriculture In Luang Prabang Province"]

[Excerpts] In building irrigation dams, during the past 5 years, the irrigation section has conducted surveys on 22 small and medium sized irrigation dam projects involving 4,139 laborers. Twelve dams have been constructed or repaired. Of these, seven are newly constructed dams. The cost has reached 153,971,949 kip. The dams serve 1,575 hectares of farm land. In this, 435 hectares are dry rice land. One ton of cement has been provided for the people in the various localities in the province. Also provided were 4,653 kilograms of explosive charges, 5,623 caps, 1,211 meters of fuse, 790 hoes and 40 crowbars, the total value being 28,115 kip.

As for agriculture, besides giving attention to encouraging and guiding the people concerning expanding the agricultural area and expanding animal husbandry, the Agricultural Service has also opened up 11.5 hectares of land with the aim of implementing a rice experimentation project to test new varieties of rice. At the same time, it also expanded the area for growing rice seedlings by 8,206 hectares. In this, 2,187 hectares were planted in the IR 848 variety of rice, 3,819 hectares were planted in IR 253 and 2.2 hectares were planted in IR 8. A total of 25,257 kilograms of improved rice seed, 6,580 kilograms of [regular] rice seed and 25,983 kilograms of chemical fertilizer were provided for the people.

Because the Agricultural Service has given attention to caring for the livestock, maintaining their health and limiting the killing of the breeding animals of the people, during the past 5 years, the people have been able to sell large numbers of livestock to the state for shipment to the markets. For example, they have sold 12 head of cattle, 242 buffaloes and 9,353 pigs.

The Na Luang Fishery Sector

This sector is an important sector. It has used scientific methods to breed fish and good results have been achieved. It has been able to sell the various species of fish. This sector has bred domestic species of fish 29 times and it has bred domestic species with foreign species 30 times. From having used appropriate scientific methods, 80 percent of the expected results were achieved. More than 227,000 fry and more than 300 kilograms of fish were sold. The total value was 17,583 kip. At the same time, 2,949 fish of 183 species were selected for breeding.

Tractor Units: A total of 53 hectares of farm land was plowed for the cooperatives and people who lacked sufficient manpower. Also, 118 tons of production and building materials were transported to support the various projects. They earned a total of 100,414 kip.

Grader Units: These units have cleared 106 hectares of land for crop growing. Of this, 28 hectares belong to the state and 78 hectares belong to the people. The units also helped build 4,900 kilometers [as published] of irrigation canals, which are 4 meters wide. They also helped the Public Works Sector construct 29.69 kilometers of roads. At the same time, they transported 1,200 tons of materials of various types, making 4,368 trips.

Felling Timber and Making Lumber: A total of 1,607,917 cubic meters of timber, valued at 280,478 kip, were felled. From this was produced 509,617 cubic meters of lumber valued at 218,038 kip.

EDITORIAL CRITICIZES TENDENCY TO PLANT LESS DRY SEASON RICE

Vientiane SIANG PASASON in Lao 6 Jan 81 p 1

[Editorial: "Continue to Mobilize People to Plant Dry Season Rice"]

[Text] In accord with the plans and policies of the party and state concerning expanding agriculture and forestry in all respects, the goal is to solve the immediate problems in the lives of the people and create a basis for gradually industrializing the country. Last year, the Lao farmers emulated to increase production, worked together to grow dry season rice, built irrigation projects, reclaimed abandoned fields and opened up new ones, engaged in intensive agriculture and diligently used new techniques in agriculture and animal husbandry. Good achievements were scored, and more than 1 million tons of rice were harvested. This is the highest yield ever in our country.

However, concerning the planting of dry season rice during the past period, the results have not been even. In 1980, the area planted in dry rice fell to only 6,800 hectares. In 1979, there were 9,800 hectares. In 1980 the dry rice yield was only 8,400 tons. In 1979 the yield was 13,900 tons. For this reason, the farmers must be mobilized to expand the growing of dry season rice in order to help continually increase agricultural production in our country.

Food is our most pressing problem. Thus, the most important task of today is to concentrate manpower and capabilities on agricultural production fronts. Dry season rice plays an important role in the production of food. In places where this is being carried on well, the work must be improved even more and production must be increased. In places where conditions exist, but where things are not working out, efforts must be made to solve the urgent problems in order to ensure that the planting of the dry rice crop is carried out well, to ensure that people become familiar with growing dry rice and to ensure that this becomes a production season of the farmers. The goal is to help stabilize the lives of the people, make the people self-sufficient in food and help the state in many ways. As for the military units and various offices and organizations where conditions exist, they must try to produce food themselves and economize in order to help reduce the burden on the state and farmers. This will help make the growing of dry rice a strong movement throughout the country and lead to continually greater yields.

11943

NATION'S FIRST MAJOR MARITIME SURVEY IN ANTARCTIC UNDERWAY

Wellington THE EVENING POST in English 24 Jan 81 p 40

Text7

CHRISTCHURCH, Jan 23 (PA). — A team of New Zoo-land scientists has left McMurdo Sound aboard the Transglobe expedition skip Benjamin Bowring on the first major marktime survey undertaken by New Zoo-landers in the Antaretic.

Led by Dr Fred Davey of Wellington, a marine geophysicist from the DBIR's geophysics division, the party of five men will charter the ship in the Ross Sea region for the next 18 days.

The Benjamin Bouring arrived in McMurde Bound on Twenday to most other members of the Transplake expedition who have been staving at Senti Born.

Funded by the DBB, the main threat of the survey is to collect baseline data on the Ross Sos region, is as attempt to consider the bistory of the Antarctic, is purticular the relationship between cost and wort.

It is bolleved that up to 150 million years of bistory are preserved beneath the Ross Sea where codiment layers have accumulated through gradual events.

Two other scientists went to the Antarctic on the Bonjamin Bowring to carry out marine research between New Zenhand and the Rom Sea. Dr Derek Burns, a DSIR occanngrapher, and Dr Kes Grangs, from the New Zenland Occanographic Institute, have been collecting photo plankton in water camples during their voyage to Astarctics.

Dr Burus has previously taken similar samples in the P\B area and proposes to collaborate data in a line from the Pacific to the Antaretic in a result of work curried out in the last few days.

Mounville the acceptants and technicans on board the Benjamin Bowring expect to cover about two-thirds of the Rom Son to their survey at a rate of about 250km a day. Program will be influenced by ice conditions.

SITUATION OF MUSLIMS IN INDIA VIEWED

Peshawar KHYBER MAIL in English 8 Feb 81 p 4

[Editorial: "Aligarh Once More"]

[Text] An iron curtain seems to have been pulled down on the affairs of the minority in India. While our Government has been constantly reassuring us that all is well with our relations with our neighbour and are marching forward with long strides towards the goal of "normalization (whatever that may mean), the hand of tyranny is repeatedly falling on the Muslim minority in that country. We are forced to wonder how can we be taking our leaps towards normalization when the Muslims of India are not safe and every now and then they are given a drubbing, without the least concern for the feelings of fellow-Muslims in Pakistan or throughout the Islamic world. In one case we still have the Liaquat-Nehru Pact which has defined for all time to come the concern for the minority of one country for that of the other, and not because it referred to Hindus in Pakistan alone which are no longer substantial because of the secession of East Pakistan. If that situation is accepted, it would speak volumes for the weakness of our international policies and our stature in the international community and in the lap of history. Pakistan can certainly not abandon the Indian Muslims to a fate of that of Spain, as they were in effect instrumental in the creation of this country. At the same time the Mecca Declaration recently took special note of the condition of the minorities in various parts of the world, including India. The latest information that has recently leaked through the heavy curtain on news concerns the Aligarh Muslim University which has been altered beyond recognition to what it was formerly. As it is, laws were framed to alter its very aspect as an institution of the Muslims, though nothing has been done to change the aspect of the Benares Hindu University in secular India. The Executive Council has been made into a nominated body by the Indian Education Department and the nominees include Muslims and Hindus both. The courses of study have been changed and the Muslim aspect of studies totally crushed. In spite of all this, time and again the University comes for special attention by the administration and the law and order caucus in the country.

Though formerly (prior to independence), the Deputy Commissioner of Aligarh had no business to poke his nose in any of the affairs inside the University campus and it was out of bounds to the police, it is not an uncommon feature now for the officials of the city making inroads now and again to force their authority on

the student community. This time, matters seem to have come to a head and the students are stated to have been forced to vacate the hostels within twelve hours, probably at the orders of the Deputy Commissioner. It has been laconically stated, not by a communique or a hand-out of the Indian Government, or any of the Indian news agencies, but by the BBC, that the students were supposed to have been involved in an "agitation" for some time. What this agitation was about is not known. It is strange that the matter did not receive any attention of the sources of news and information nor any concern felt by the Pakistan Embassy in New Delhi, which is an office of little effective concern for Pakistanis themselves much less Indian Muslims.

As opposed to this, we are daily being pelted with a flood of information, news, biographies, interviews, moral or immoral activities of the Indian film-stars, who find a lot of expensive coloured space with their hot and sexy photographs, especially in a section of the Karachi press. Pakistan has no commercial relation with India for an exchange of films and we are in no way concerned with the Indian film-stars except with the fans of the illegal VCRs. To us the brazen propaganda smacks of a psychological assault on us by people who act as conscious or unconscious agents of the Indian barrage. They may be said to be the spearheads of a propaganda which intends to instill a feeling of cultural uniformity with India against the raison d'etre of Pakistan's very foundations. The President of Pakistan had promised press freedom barring, of course, where it could be used to strike at our integrity. How these pieces pass through the Censors we wonder very much. The matter jars further when we know that matters relating to the Indian minorities are often left out of the information channels, as the recent events at Aligarh. We can hardly pass any serious comments on the events unless more news trickles in. We hope it does in the days that follow.

AGRICULTURE MINISTER DISCUSSES WORLD BANK REPORT ON POVERTY

Manila BULLETIN TODAY in English 17 Feb 81 p 13

[Text] Agriculture Minister Arturo Tanco, Jr concurred with a World Bank mission's report that the incidence of poverty in the Philippines increased to a certain extent during the first half of the 70s but differed with WB findings that the weather was the major reason for the good performance of the rural economy in the second half of the decade.

In his statement before the WB consultative group for the Philippines at the Paris, France meeting Jan. 29-30, Tanco also admitted that municipal fishermen, coconut and sugar farm laborers, corn farmers and upland rice planters continue to be the poorest of the poor.

However, Tanco, in contradicting portions of WB observations, said "other less transient reasons accounted for a substantial portion of the good performance, although he admitted that relatively good weather in the last half of the decade was an "undiluted blessing."

As a matter of fact, he pointed out, this performance was achieved despite destructive typhoons in 1976, in 1978 and against last year—all of which were at least as destructive as the 1970 and 1974 typhoons.

However, he admitted that typhoons, floods and drought which hit the country during the first half of the decade, particularly in 1972, resulted in a drop in average rice yields by 4.4 percent in crop year 1975 compared to CY 1971.

The "poverty report" identified five regions as being among the poorest of the 13 regions of the country. They are the Cagayan valley, the Bicol region, central Visayas, eastern Visayas and northern Mindanao.

Tanco also concurred in the poverty report's basic identification of the remaining poverty groups in the rural sector: the rainfed and upland rice farmers, corn farmers, farm laborers in coconut and sugarcane plantations, and municipal fishermen.

He admitted that these groups have not fully benefited from the development programs of the past and continue to be the poorest of the poor.

He also concurred with the report's policy prescriptions, and proposed directions with respect to the agricultural sector.

Tanco stated that the incidence of poverty in the rural sector substantially declined during the latter part of the decade "almost certainly more than is indicated in the poverty mission report."

He reiterated that the second half of the 70s contrasted sharply with that of the first half when dramatic improvements were made in both output and farm prices.

For instance, average rice yields increased tremendously per hectare, up by 33.6 percent in CY 1979 compared to the average yield in CY 1975. The value per hectare increased by 57 percent.

Average corn yields, owing largely to good weather and the application of some technology increased by 13 percent.

Coconut prices skyrocketed beginning 1973 and maintained on the average much higher levels through the end of the decade.

PROGRAM SET UP TO I'INANCE INDUSTRY

Manila BULLETIN TODAY in English 17 Feb 81 pp 1, 8

[Text] President Marcos has ordered four government agencies to assess the financial condition of major money market borrowers and directed the establishment of a Pl-billion financing program that will assist priority industries in rationalizing their financial positions.

The President's directive came after the Central Bank and the Development Bank of the Philippines submitted their complete assessment of the damage wrought by businessman-banker Devey Dee's flight upon the country's financial system.

The study on the financial condition of major borrowers is to be made by the CB, the DBP, the securities and exchange commission and the Philippine National Bank.

The study would form the basis for the organization of the industrial financing program which would assist companies affected by sudden slowdown of demand and other adverse economic conditions that threaten to jeopardize their viability and profitability.

In his letter of instruction, the President noted that the weaknesses of the money market have been identified in the wake of recent failures of certain borrowers.

He also ordered the CB to "extend full support to banks and other financial institutions meeting temporary liquidity problems."

At the same time, the CB was directed to initiate a credit information system that will provide data on bank borrowings, commercial paper issues and other forms of borrowings to banks and other financial institutions.

The President also directed the CB to study the possibility of a credit bureau, in coordination with investment houses and other financial institutions, along the lines of similar bureaus abroad.

PHILIPPINES

IMPROVEMENTS PLANNED FOR MINDANAO NATIVES

Manila BULLETIN TODAY in English 17 Feb 81 p 27

[Text] The social and economic upliftment of the Subanons, considered one of the most neglected cultural communities in Mindanao, has been assured with the establishment soon by the Panamin of the first Subano resettlement community in the Zamboanga peninsula.

Region 9 Assemblyman Joseph Banghulot announced here recently that the resettlement territory, with an aggregate area of close to 25,000 hectares, covers big portions of the municipalities of Naga, Kabasalan, Ipil and Titay in Zamboanga del Sur and the towns of Liloy, Tampilisan and Salug in Zamboanga del Norte.

The Zamboanga del Sur regional legislator, considered the highest elective Subano leader in western Mindanao, said a Panamin technical team recently inspected and consequently approved the site which it also scheduled for surveying after which it would be released through a presidential proclamation.

The whole area, Banghulot said, would later be subdivided among landless Subano families, known for their nomadic nature, to enable them to settle permanently in the area instead of engaging in kaingin from one place to another.

Banghulot explained that Christian settlers in the territory would not be ejected but would be encouraged to live harmoniously with the native Subanons.

He said some 4,000 Subano families would be resettled in the area where each would be given at least five hectares of land to cultivate and ultimately learn to become self-reliant.

THAILAND

KHUKRIT INTERVIEWED ON FOREIGN RELATIONS

Bangkok SIAN RAT in Thai 5 Jan 81 p 3

[Interview with Khukrit Pramot, the Former Prime Minister and the Head of the Social Action Party, in Bangkok; date not given]

[Text] Concerning the past and the future of Thailand and the world, passing from 1980 into 1981, there are significant matters that various groups have analyzed in various ways. But the views that will be presented here in the form of questions and answers are those of Khukrit Pramot, the former prime minister and the head of the Social Action Party, who granted this interview to the newspaper SIAM RAT at his home on Soi Suanphlu during the 1981 New Year season.

[Question] Since the present government came into office, in general, how good of a job do you think the government has done, what are its weaknesses and what things should be corrected?

[Answer] In general, I think that they have done an adequate job concerning foreign affairs. Concerning relations with foreign countries, in general, they have done a good job of maintaining relations. They have maintained good relations with the United States, the European countries, the East European countries and Russia and they have friendly and close relations with China. They engage in trade and they have contact with these countries. And they have carried out other complex things that I did not think they would be able to do.

I feel that they have carried out these things correctly and that they have done a very good job in matters concerning Asean. The Asean countries are united and there have not been any splits in Asean. This cooperation and unity in Asean has generated strength. Even though this is an economic association, if we [continue] to cooperate with each other and discuss things together and do not split apart, our groups should have enough power to discuss matters with anyone in the world.

Concerning diplomatic matters, the Thai government has won many victories in the United Nations. For example, we were against recognizing the Heng Samrin government. Asean agreed and supported us in the United Nations and [the Heng Samrin government] was not recognized.

As for the situation along the border, I think the government has done a good job of maintaining the situation. The rumors of various threats have abated and the military is prepared. If a war breaks out, I think that we can win. There is nothing to be afraid of -- I quarantee it.

In general, the foreign affairs actions taken by this government have been very good. Things are not too tense or too relaxed. In particular, the thing that I am impressed by is that the government is its "own man." It has not curried the favor of any important person or any nation and it has not become special friends [with anyone] to the point where things have become private affairs. It has prestige and honor. In conducting negotiations, [the prime minister] is not a doll for foreign countries to play with as some prime ministers have been. Wherever they went, they acted in a boisterous way, as if they could be diplomats like that.

[Question] In reference to the United Nations passing a resolution siding with Asean on the issue of a withdrawal of Vietnamese troops from Kampuchea, the next think should be to hold a conference for the countries concerned in order to find a way to solve the problem of having Vietnam withdraw its troops and of holding free elections monitored by several other countries. What do you think the chances of this are having seen the attitude of China and Russia in particular, since it is believed that both countries have a major role in the Kampuchean affair?

[Answer] Yes. Concerning the resolution calling on Vietnam to withdraw its troops, I do not think that the people who proposed this resolution and who voted for this resolution thought that Vietnam would withdraw its troops but they went ahead and voted for the resolution. That such a resolution was passed is an affair of the United Nations. What else was the United Nations to do? It could not just sit idle. It could not pass a resolution demanding their withdrawal. It could only pass a resolution calling for their withdrawal.

After they withdraw, other things will follow. There must be another resolution calling for free elections monitored by the United Nations. Concerning this, I do not think that anyone has ever thought that this would be possible. This was only a suggested way out if possible.

Whether this resolution will provide a way out or not depends on many other factors. For example, things depend on China and Russia, as you mentioned.

But now, I think that this hope has faded. But concerning the fact that the United Nations voted on this resolution, this was done in accord with the principle that the United Nations decides what resolutions will be voted on.

[Question] You stated that hope has faded and, therefore, why is Asean still following this resolution by trying to convene a multi-nation conference? What can this achieve?

[Answer] It is doubtful that such a conference will achieve very much. But it is a way to relax [tensions] and views can be expressed, which must take place gradually over a period of time. Whatever can be done must be done. This is better than not doing anything. At least, we can meet and discuss things together. Who obtains what benefits is not important. What is important is bringing all sides concerned together and having them sit down and discuss things together. This is a good result in itself.

But concerning this conference, since Vietnam has not agreed [to hold the conference], there will not be any results and this will be only a wish of ours. We are following our moral precepts. We have not considered starting a fight with anyone. We would rather hold a conference around a table than send troops to kill others. This is in accord with the principle of preserving world peace.

[Question] Would you give us your observations about what should be done to achieve success? Even though things look dim, there should be something that can be done. We should be able to negotiate with Vietnam since Vietnam's present situation is very difficult and our minister of foreign affairs has said that we will provide help if Vietnam cooperates. Can we negotiate and allow them to keep their troops in Kampuchea?

[Answer] No....
But we should not think too much about beautiful leftist ideals.
Talking together sincerely is better. Before starting negotiations with Vietnam, if we set a troop withdrawal as a pre-condition, what would they say? We must not start dreaming like young people. It is better for us to be pragmatic. Because, their actions are against our principles and no one will agree to their using the military to form a government. That is not right.

Young people think like this. That is all right. sit in coffee shops and talk and anyone can do anything. Things are wonderful and anything can be done when they discuss things like this. I agree.

But speaking from the perspective of a person such as myself who has seen much of the world, we must be pragmatic if we are to accomplish anything.

Success means that success is correct. Whatever can be done is correct. Things that cannot be done, no matter how good they seem, should be abandoned. It is better not to have anything to do with such things. Such things cannot succeed. Such people are idealistic and they talk in terms of ideals.

Thailand is being destroyed because of being too idealistic. Scoring some successes would be better. Whatever can be done should be done while what cannot be done should be put aside for now. Everyone must have ideals but they must look at the road first.

In negotiating [with the Vietnamese], the first thing they will say is "what about the conditions for the negotiations? Will you agree to allow us to keep our troops in Kampuchea?" If we say that we are not willing and that they must withdraw, do you really think they would withdraw? I would not withdraw either. And so how could we discuss things together. They entered [Kampuchea] like that. They are determined and are not afraid of anything.

[Question] Thus, you do not think that Vietnam will withdraw its troops from Kampuchea?

[Answer] I do not think so. But the problem will resolve itself. We do not know what is happening in Vietnam and Kampuchea. It is difficult to guess. But, for the present, I do not foresee them withdrawing their troops. Vietnam will negotiate with anyone but that person must recognize that they will keep their troops in Kampuchea.

[Question] Do you think that the present economic troubles and economic deteroriation in Vietnam will soften Vietnam's position about holding discussions?

[Answer] Concerning the withdrawal of Vietnamese troops, the Vietnamese government does not believe that this will help solve their economic problems. I do not think that we can offer them anything in exchange for this.

[Question] What are your views about the government's implementation of a foreign policy that some people feel is too pro-China and about the fact that we do not want to have much to do with Russia? Even though Russia is an important country, we sent only a delegation at the deputy foreign minister level to discuss things with them.

[Answer] This was just the beginning, the first step. In the future, people of higher rank will probably go. Who knows? I think that many people are probably thinking about this. In particular, their government is probably thinking the same thing. At present, trade relations have just been opened. If you want to succeed, you must proceed gradually, step by step, like this.

[Question] In the future, how important do you think Japan and China will be for this region in helping, either militarily or economically, to improve things in this region?

[Answer] As for China, it will always be important. It is important because of its physical size and because of the size of its population. China is important and regardless of whether it plays a part or not it must be considered to be important for Asia. Asia must always consider China to be important because it has a population of 900 million or 1 billion people. We cannot change this fact. We cannot ignore this fact as we once did. They will always be important. They are important because of their size. Just as the Himalayas are important for Asia, China has similar importance because of its great size.

As for Japan, it all depends on what they do economically or militarily. Today, Japan has only economic power. I do not think that Japan is considering becoming a military power again. However, Japan has great economic power.

Japan is willing to help the Asean countries and the other countries in Asia in order to maintain its own interests. Because, if Japan is to continue its important activities, that is, its trade activities, it must have markets and people to buy Japanese goods. If it allows Asean to become destitute, some day Asean will not be able to buy Japanese goods and Japanese markets will deteroriate. Thus, Japan must act in such a way as to preserve the mutual benefits for both sides.

But because Japan is important economically, it can be said to have power. Because if Japan does not help a country and does not sell to that country, that country will have problems. But at the same time, if several countries such as the Asean countries join together and tell Japan "do this otherwise we will not purchase your goods," Japan will face troubles too.

Japan is both weak and strong because it is an economic country. Japan must make its own decisions but it must think about both sides. It cannot think that, just because it is economically powerful, it can force others to do what it wants.

This is a weakness, a great weakness.

[Question] I would like to know more of your views on China. Specifically, concerning the fact that they are friends with us, at what level will they be friends over the long term? Will they continue to reduce party level [relations] and increase government level [relations] as they are doing now or does China still intend to spread its ideology by infiltrating and influencing Thailand as they are still trying to do in Kampuchea with Pol Pot?

[Answer] They must help [Pol Pot] because there is nothing else they can do. They have given support. Nothing has changed. Why should they withdraw their support?

Concerning spreading their ideology, I do not think that China is as aggressive as Russia because Russia is the source of the ideology. China is an Eastern country and they are more flexible than Westerners. At present, as you know, in China communism has begun to change. The Chinese have found weaknesses in the socialist system in China. The communists who rule the country are members of the Communist Party and the Chinese Communist Party can have any type of policy. It can be labeled a social economic party. They can change their economic system. Things are not fixed. Things are not theoretical or doctrinal. As we have seen, they have greater flexibility. They are like those in Western Europe who call themselves communists. I went and observed things and they are not [pure] communists; they are Euro-communists. Thus, we may encounter something that can be called Sino-communism, which is not interested in causing trouble for others.

[Question] Can it be said that China will not do the same thing that Russia has done, that is, invade another country?

[Answer] I am certain about this because they have condemned Russia for this. If they do such a thing, they will suffer losses. And China is a country that wants the goodwill of the world. That is, they do not want to be criticized throughout the world. They are very careful about what they do.

[Question] Aren't people afraid that China will do the same thing in Vietnam that they did in Tibet?

[Answer] Tibet was an unclear affair. It was not clear-cut like Afganistan. China took Tibet because it thought that Tibet had once been a part of China.

I do not think that we have to fear China in my lifetime or in your lifetime. Our lives are better, both yours and mine. You do not have to be afraid because China is engaged in many other things. Also, I do not know why, but concerning Thailand, I feel that the Chinese

have a special feeling for the Thai people. I believe that they are very interested in the Thai people. They have tried to understand us and to sympathize with us. Stated simply, they like the Thais more than other people.

I would bet that Thais who have been to China would say the same thing. When the Chinese meet a Thai on the street, they come and embrace the Thai. If they meet a person from some other country, they are indifferent. They smile in greeting but they do not welcome them like they do Thais. I think that the Thai people have a special place in the hearts of the Chinese. I do not understand this either.

11943 C50: 4207

THAILAND

RTA HOPES TO WIPE OUT NAN CPT BASE, CITES LAO LINKS

Bangkok MATICHON in Thai 26 Jan 81 pp 1, 12

[Article: "1st Forward Division Says It Will Wipe Out the Communists In Nan and Erase the Insults"]

[Excerpt] The commanding general of the 1st Forward Cavalry Division has announced the opening of a year-long campaign to wipe out the communist terrorists in Nan. The goal is to eliminate the communist threat to liberate Nan Province in 1982.

Major General Frayat Rotphothong, the commanding general of the 1st Forward Cavalry Division, has revealed that the communist terrorists in Nan have announced that they will liberate Nan Province in 1982. The 1st Forward Cavalry Division, which is responsible for Nan and Uttaradit provinces, has, therefore, seriously implemented military and political suppression plans for more than a year now.

Major General Prayat revealed that the 1st Forward Cavalry Division has set a goal of going on the offensive militarily and politically in 1981. The aim is to destroy the base areas of the communist terrorists. At the same time, action will be taken so that the government officials, people, merchants and students see that there is prosperity and safety.

"The communist terrorists in Nan met with Lao leaders in Sayaboury Province [in Laos] last November. But the Lao side has stopped giving support. This has caused the communists in this area to lean toward Burma in order to forge a link with the Burmese communists and receive help from abroad," stated Major General Prayat. He also mentioned that "at present, the communists in every region lack weapons and other materials because they have received great pressure from the officials. Internally, there has been a serious ideological split and increased numbers of terrorists have surrendered to government officials."

Major General Prayat disclosed that Nan Province is the place where the northern Central Committee of the Communist Party of Thailand is based. The terrorists have a widespread sphere of operations and liaison and they receive support from some merchants in the towns, especially from the timber merchants.

Major General Prayat revealed that, last month, the military captured timber merchants in Nan Province who were giving support to the communists by sending supplies to them in exchange for timber.

"Since last year, we have taken swift and vigorous military action many times. For example, last December we carried on the 'Phothong' offensive. Forty seven groups of soldiers were sent to attack the base camps in 7 days and many base camps were overrun," stated Major General Prayat. He also said that "we firmly believe that we must go into every area."

As for the political activities, the commanding general of the 1st Forward Cavalry Division disclosed that 34 seminars have been held to instill political ideals in the people, various political networks of the CPT have been destroyed and job development centers have been established in various places with the cooperation of the government officials of all sectors.

LPDR AGENTS WORKING WITH SAVANNAKHET POLICE CHIEF ARRESTED

Bangkok DAO STAM in Thai 27 Dec 80 pp 7, 12

[News article entitled "Thais Working as Laotian Agents Arrested"; author not indicated; original Thai article contains no paragraph divisions; translation paragraphed to increase clarity]

[Text] An informant recently tipped off the Thai police that a group of Thais from Nawaeng Village in Nawaeng Subdistrict, Khemrat District, Ubon Province, had illegally crossed the border into Laos for a secret meeting; had, while there, received subversive instructions; and had then returned to Thailand as Laotian agents to incite turmoil aimed at bringing down the Thai Government. After obtaining confirmation of the report, a police unit led by Police Captain Sakda Tochongmon—deputy commander of the sixth company of the Border Patrol Police in Khemrat District—quickly moved to lie in wait to arrest these people. Also accompaning the unit were Police Staff Sergeant Chanyut Promta and another group of officials. The police unit, lying in wait at a river landing in Nawaeng Village, arrested the group on 19 December 1980, at 17.30 hours, while they were landing at the port of Nawaeng Village. They were returning from Laos in three boatloads.

Arrested were Mr Hom Utra, 37; Mr Supat Khanbutdi, 33; Mr Siprai Pracha, 23; Mr Huad Lanon, 45; Mr Lai Khantaman, 36; Mr La Saengsukwaw, 50; Mr Samai Potsri, 23; and Mr Sompong Bupphadi, 44, who is the key organizer and who has been arrested many times by police. Mr Bupphadi was once sent by the Thai police for rehabilitation and training at a center in Sakonnakon Province. All arrested were from Nawaeng Village. The police brought all arrested persons, together with the three boats as evidence, to Police Second Lieutenant Ronchai Panraksa, duty officer at the police station in Khemrat District. They were charged with illegal exist from Thailand.

Later during the same day of arrest, all the arrested men were questioned by police. Mr Supat Khanbutdi, one of those arrested, told the investigating officers that he and his whole group had sneaked out of Thailand, crossing into Loas to meet secretly with Laotian Captian Nurai, company commander in Ban Taluang, Tasaeng Sebangheng Village, Savannakhet District. Mr Supat Khanbutdi told the investigators that there was another man from Thailand's Khemrat District who had also accompanied them but had returned to Thailand ahead of the group. He told the investigators that Laotian Police Major Pairit (Somtua) Sinprom, police chief of Savannakhet District, conducted the secret meeting.

The Laotian police chief was formerly a Thai citizen from Nanangwan Village, Momyai Subdistrict, Khemrat District, Ubon Province. He settled in Laos a long time ago. When he had gained enough power, he returned to Thailand to implement his secret plan.

He sent his men back and forth between Laos and Thailand to incite trouble, and he organized illegal trade using Thailand's Nawaeng Village and Laos' Ban Taluang Village, directly across from one another on the river, as key trading centers. A Chinese merchant in Khemrat District's market center is a key man in this illegal operation. This Chinese merchant, in particular, has a special travel permit to enter Laos.

Reliable sources also learned that Police Major Pairit Sinprom, the traitor and former Thai who is a high-ranking police officer in Laos' Savannakhet District, is scheming to take over Thailand's 16 northeastern provinces. Further news concerning this story will be presented as it becomes available.

9748

IMPACT OF SOUTHERN PROBLEMS ON RELATIONS WITH MALYASIA DISCUSSED

Bangkok TAWAN SIAM in Thai 27 Dec 80 p 2

[Commentary by Dr Preecha Hongkrailert in column entitled "Political Happenings of Interest"; passages enclosed in slantlines printed in boldface]

[Text] /The case of the separatists/ currently stirring up trouble in Thailand's three southern provinces--Pattani, Narathiwat, and Yala--has caused intense turmoil both for Buddhist and Islamic believers and for government officials.

The situation reached the point of attracting newspaper reporters to interview the separatist movement's leader, who has been hiding in the Budo mountain range. After reading the text of the interview with this separatist leader, one concludes that the separatist movement really does have as its definite aim /"separation"/ from Thailand and the formation of an independent /"republic "/ called the /"Republic of Pattani."/ The intention is to govern under a presidential system. Under this plan, the separatist movement has already formed a /cabinet/ and is receiving support from abroad in the form of financial aid, military equipment, and so on.

The way to solve the problem of this southern separatist movement is to de-emphasize its significance, because the more recognition and attention the separatists receive, the more "emboldened" and confident they will become. Even though the truth is that it is impossible for the separatists to achieve their goal, all this /"recognition"/ of the /"Pattani Republic"/ by the newspapers and other mass media may easily hamper the Thai Government's /"political strategy."/ If the media continue in this manner, the leader of the separatist movement /can claim/ that newspapers and other mass media in Thailand still /recognize/ the status of the movement.

Instead of giving such recognition to the separatist movement, we ought to stop the news presentations that may give the movement importance. Or, instead of presenting any news at all about the separatist movement, we might even do well to be completely, silent about it, because the more we speak of it, the more we seem willing to /"recognize the status"/ of the movement. If we do give news coverage to the movement, then the separatist group may clip the news stories from Thai newspapers in order to show them to /"supporting countries"/ with the intention of gaining help in finance, arms, and other forms. The news clippings will make it seem as if this movement has produced excellent /"results"/ from its efforts.

In addition, if news reporters from the Thai mass media often /"interview"/ the separatist movement's leader, he may use the device of /"giving interviews"/ as a /'tool'/ for easily creating a dispute between Thailand and Malaysia. There have

been many present-day incidents of clashes between Thai and Malaysian people living along the Thai-malaysian border. And if we allow anyone to support /"antagonism"/between Thailand and Malaysia, it will be of great benefit to the enemy of Thailand. That enemy, moreover, is no other than the Communist Party of Thailand.

The Communist Party of Thailand is even more effective than the separatist movement and other bandit gangs, because CPT members are well disciplined and have a firm philosophy and a well-established operation. The CPT also receives every manner of support from superpowers. In fact, the separatist movement is only a /"weakling"/by comparison.

/Therefore, we ought to be very careful about mass media presentations done in a manner which promotes the work of the separatist movement./

9748

POLICE ABANDONMENT OF SUBDISTRICT POSTS SUPPORTED

Bangkok TAWAN SIAM in Thai 25 Dec 80 p 7

[Commentary written under the pen names Sud Saipan and entitled "The Weakness of the Provincial Police Stations"; passages enclosed in slantlines printed in boldface]

[Text] /These days there has been news of communist terrorists attacking provincial police stations in subdistricts more often. And each time the terrorists came by the hundreds. With just a handful of manpower, provincial police in the subdistricts could not put up a good fight against the communist terrorists. It is natural that a little water cannot quench a big fire./

In the south, communist terrorists attacked police stations, seizing the government's arms and radio equipment. Furthermore, they burned down the police stations. Because of this fighting with the communist terrorists, lives have been lost and police manpower has been decreased.

Organizing provincial police stations in subdistricts is a good thing for the public. People living near the police stations feel secure having police on duty, because when an incident occurs they do not have to drag themselves to the distant distict office to report the incident, as they did in the past.

But it has become apparent that provincial police stations in these subdistricts have become a police vulnerability, able to be attacked at any time by the communist terrorists. Police units manning the stations in subdistricts have only 12 men. Some of these men must patrol the local area. Others are sometimes hit by malaria. So only four to five policemen are really manning the stations. With so few men, how can they put up a fight against the hundreds-strong forces of the communist terrorists? This explains why the communist terrorists who want arms and food supplies attack and then take away the government's property.

Therefore, the organizing of police stations in subdistricts is like preparing food caches and arms supplies for communist terrorists. This has in turn caused low public morale and low spirits, because when the police cannot even protect themselves and the stations, then how can they protect public property?

/This writer therefore agrees with the Police Department's abandonment of the provincial police stations at the subdistrict level and supports the department's new system of patrol routes, which entails sending police to patrol and visit various locations periodically. This change is to prevent the loss of police manpower and government property. The patrol route system has the same value as police stations in the

property. The patrol route system has the same value as police stations in the subdistricts would have. The only difference is that although the patrolling police themselves are still near, their actual centers or stations are far away from the remote forests and fields of the subdistricts./

/However, it must be urged that the police who are dispatched on patrol to provide comfort and protection in the various subdistricts must be effective, efficient, and honest. They should not be the types of police who arrive and order the villagers to kill chickens and ducks for their meals. That would again bring only trouble to the public./

9748

THAILAND

VISA APPLICANT COMPLAINS OF US CONSULAR PROCEDURES

Bangkok JIAM RAT in Thai 17 Jan 81 p 5

[Letters to the Editor column by Thidawan, Bangkok: "Going to the United States Is Difficult For Thais"]

[Text] I read the column by Mr Maitri Rakthai on the "Ugly American' I enjoyed the column very much and I agree with Mr Maitri on many points.

In this column I too will discuss efforts to go to the United States. I personally experienced these things at the American consulate in Bangkok only several months ago.

I went to the consulate in order to [arrange] to go to the United States. I work out of Bangkok in another province and I had to make the trip to Bangkok at least five or six times before I was able to obtain my visa. This was because the consular officials asked for various documents that they had not mentioned at first.

They kept asking for one or two more documents each time. It became very discouraging. They did this repeatedly. For example, one document had a line crossed out and the district official had signed his name guaranteeing that this had been officially changed on such and such a date.

The official the consulate, who was a Thai woman who worked at the numbered indow (people who have gone to the consulate will know whom I mean), scowled at me. She told me I could not use this document and she asked for a new letter of guarantee.

I tried to explain to her that if I asked for another letter I would just get the same letter. I also explained this to an American official but the Thai official insisted that she could not accept this document because this was a very important matter. The American official agreed with her probably because he felt that this Thai official knew what was going on.

I felt very discouraged that day and my legs felt weak. I had to quickly return to the province to return to work. But after returning to work for about a month, I had to take time off from work and go to Bangkok again. This happened again and again. And things happened as I had expected. That is, the district official issued me the exact same letter of guarantee as before and the matter was settled (concerning this matter).

But the officials found other faults that necessitated my returning to the consulate again. My house certificate has been used for 20 to 30 years. Corrections have been made on it and district officials have guaranteed that the document is in order. This is a normal thing. If no corrections have been made on a document, it may be a forgery.

I do not understand why this official, who is a Thai, did not understand this matter. (I would like to know how strict this official would be if she were the one going to the United States.) To this day, I have never found an answer explaining the actions of the consulate and I do not know whether or not it is the foreign policy of the United States to make it difficult for people to go to the United States so they finally give up the idea of going.

Or did this official act in a particularly proper manner in order to impress her boss and show him how evergetically and efficiently she could work? Or was it because **she** wanted something else?

Even though I have now received my visa, I would like my experiences to be of benefit to those who are going or who are planning to go to the United States. Even if the consulate continues to act in this way, at least those who are planning to go will be ready for anything the officials do.

THAILAND

GAS PIPELINE CONSTRUCTION STOPS, CONTRACTOR SAYS PLANS FAULTY

Bangkok BAN MUANG in Thai 31 Jan 81 pp 1, 2

[Article: "Wrong Pipeline Specifications; the Government May be Fined"]

[Text] Construction on the sea and land gas pipelines will probably not be completed on schedule. The contracting company has stopped work because the stipulated specifications, or designs, of the Petroleum Authority of Thailand are not in accord with reality. What has been done is not in accord with the designs. The company that contracted to lay the land pipeline has stopped work because of unexpected events. As for the construction of the pipeline in the sea, the pipeline has cracked because Japan sent old materials of poor quality. Repairs will cost 120 million baht. It has been stated that the government will be fined several million baht a day if gas is not sent by 1 June this year in accord with the contract. The Petroleum Authority kept this information to itself and did not inform high-level government officials.

A news report concerning the Petroleum Authority of Thailand issued on 29 January stated that unexpected events have created problems for the construction of the gas pipeline from the gas wells in the sea to the shore and for the construction of the land pipeline from Rayong Province to the center. It is expected that construction on the gas pipeline will not be completed on schedule, that is, by the end of this July.

As for construction on the land pipeline to bring gas from Rayong Province for use at the power plant in Bang Pakong District, Chachoengsao Province, and for use in central industrial activities, the S.C.S. Company bid approximately 300 million baht to build this pipeline but problems have arisen in construction and the company has sent a letter to the Petroleum Authority of Thailand asking to stop construction. And it has already stopped work for 2 days. The reason given by the contracting company is that the Petroleum Authority issued designs and specifications that were not in accord with reality. After carrying on construction in accord with the specifications, problems arose because the things done did not fit

the designs and it reached the point where the work could not continue. For example, in some cases it was specified that the land was flat but the land was actually hilly.

As for the construction of the sea pipeline from the gas wells to the shore, the situation is the same. The contracting company, that is, the Brown and Roos Company, has laid pipeline but the pipeline has cracked because the pipe, which was built by Japan, is not good and Japan sent old materials. The contracting company has asked the Petroleum Authority of Thailand for permission to repair the pipeline along with laying new pipeline so that everything can be completed at the same time. As for repairing the cracked pipeline, this will cost another 120 million baht. But it appears that the Petroleum Authority of Thailand will not give the company permission as requested. The Petroleum Authority has told the Brown and Roos Company to finish laying the pipeline in accord with the contract and make the repairs later. But the contracting company is reluctant to do this since, if the repairs are made later, the repairs will certainly cost more than 120 million baht.

The report also stated that if these problems that have arisen are not solved quickly, it will not be possible to complete construction on both the sea and land pipelines in accord with the contracts and the government will face a penalty of several million baht per day because it made a contract with the purchasers. In the contract, I September was set as the completion date. If gas cannot be moved from the gas wells for use in accord with the contract, a penalty will be assessed.

The report also stated that, at present, the Petroleum Authority is trying to conceal these facts from high-level government officials in order to try to find a way to solve the problems. At the same time, it is not willing to present any of the figures to the public even though the country may suffer losses amounting to many millions of baht because of the mistakes make by the Petroleum Authority.

Concerning this matter, a reporter for the newspaper BAN MUANG sought the facts from the C.S.C. Company. He received a short reply to the effect that the report that construction on the land pipeline has been halted for 2 days now is correct. Construction has almost been completed but it is not possible to complete the project in accord with the targets because unexpected problems have arisen. The company was not able to provide any more information than this because it has agreed with the Petroleum Authority not to give out any information concerning the construction of the pipeline because the Petroleum Authority is the only one that can give out information.

11943 CSO: 4207

END

END OF FICHE DATE FILMED 3/12/8/